SOUTH AFRICAN BOOK PUBLISHING INDUSTRY SURVEY

2019 - 2021

2019 – 2021

PUBLISHERS’ ASSOCIATION OF SOUTH AFRICA

PASA
PUBLISHERS’ ASSOCIATION OF SOUTH AFRICA

This research was conducted on behalf of the Publishers' Association of South Africa

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Introduction

The annual Book Publishing Industry Survey provides information on the growth and development of the South African publishing industry. It is the most comprehensive survey available of the publishing industry in South Africa, providing information for planning and lobbying purposes since 2002. The data collected annually is invaluable for understanding the publishing industry in South Africa, especially as transformational shifts take place across the key publishing sectors.

The report covers three key sectors: Educational, Trade and Academic. Unlike most large publishing industries globally, where Trade (general retail publishing) accounts for around 50% of income, in South Africa the Education sector accounts for around 60% of revenue.

The data is collected from a survey of South African publishers, focusing on their turnover and production patterns from the previous financial year, as well as ownership and employment. The scope is limited to publishers operating in South Africa, although their main ownership may not be local, and to books published within South Africa.

The total number of active publishers in South Africa is unknown, but is thought to be between 150 and 200. The survey targets both PASA and non-PASA members, from micro-enterprises to multinationals. This year, around 150 publishers were invited to participate. The industry is heavily dominated by a small group of very large publishers, who together represent more than 80% of all production and revenue. This representation is reflected in the participation in this survey. Although it is difficult to encourage participation from small publishers, the report also includes a special section on SMME publishers for the first time this year.

This report highlights findings from the data submitted for the 2018/2019 and 2020/2021 financial years (March to February). The data for the two years are not always precisely comparable, due to changes in participation. The data collected provide some indication of the effect of the COVID 19 pandemic on the publishing industry in South Africa, and the research presents an analysis of industry trends in an effort to account for the long-term recovery necessary.

To validate and complement the survey data, data from additional sources are compiled, for example Department of Basic Education figures, Nielsen's BookData sales figures, economic or market indicators and trends.

The survey is conducted by an independent research team at the University of Pretoria, who maintain strict confidentiality of all data submitted. All the data reported is aggregated, and no individualised data may be gleaned from the report. We are grateful to the publishers who participated, in the midst of very difficult circumstances and often working remotely during 2020 and 2021.

Overview

In 2020/21, the South African publishing industry produced around R2.9 billion in revenue. The figures have dropped sharply from 2018/19, but show signs of a small recovery into 2021.

A number of factors can be associated with the overall revenue figures, including:

- The impact of the Covid-19 pandemic and associated lockdowns;
- Declines in the numbers of titles published;
- Fluctuations in the orders associated with Education;
- Changes in the allocation of funds to NSFAS students;
- Widespread recessionary conditions since the second half of 2019 throughout South Africa.

Globally, there have been mixed impacts on publishing revenue from the pandemic, with many countries registering declines of between 2% and 30%, while a few registered modest growth in 2020. The year 2021 has on the whole seen some recovery. Countries with a strong digital infrastructure and government support packages reported the least disruption, but the South African infrastructure and consumer readiness will need to further develop if we are to take full advantage of digital opportunities.

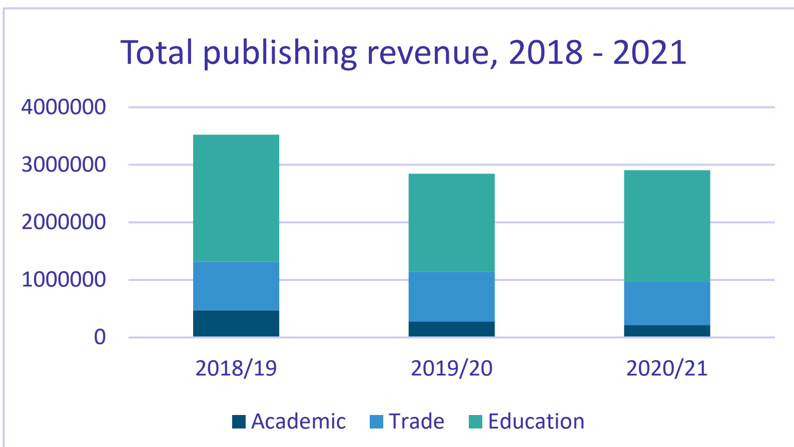


Table 1: Total net publishing industry revenue, 2018 – 2021 (ZAR '000)

Sector	2018/19	2019/20	Change	2020/21	Change
Academic	469 974	276 544	-41%	214 709	-22%
Trade	847 303	866 886	+2%	758 441	-13%
Education	2 203 544	1 699 309	-23%	1 932 490	+14%
Total	**3 520 821**	**2 842 739**	**-19%**	**2 905 640**	**+2%**

Note: All revenue quoted is net, i.e. discounts and VAT have been deducted. In this graph, Education includes schoolbooks, technical colleges and adult education, while Academic includes higher education textbooks, professional and scholarly.

Publisher Profiles

The total number of active publishers in South Africa is unknown, but is thought to be between 150 and 200. The survey targets both PASA and non-PASA members, from micro-enterprises to multinationals. This year, around 150 publishers were invited to participate. The industry is heavily dominated by a small group of very large publishers, who together represent more than 80% of production and revenue. This representation is reflected in the participation in this survey: The majority of publishers participating are larger publishers, that are PASA members.

The responses represent more than 50 local imprints, and more than 90% of the total revenue generated by the industry. They also account for nearly 2 000 full-time employees.

Table 2: Annual book-related net turnover of participants (n = 21)

SMME (Less than 5 mil)	Between 5mil and R 10mil (EME)	Between R 10mil and R 50mil (QSE)	Greater than R 50mil (Generic)
6	0	3	12

Table 3: B-BBEE level (n = 20)

BBBEE rating	Rated
Level 1 >100% AAA	5
Level 2 85 - 99% AA	1
Level 3 75 – 85% A	2
Level 4 65 – 75% BBB	3
Level5 55 – 65% BB	1
Level 6 45 – 55% B	0
Level 7 40 – 45% C	0
Level 8 30 – 40% D	1
Not compliant <30% E/FF	7

Employment

Employment in the sector has declined, which may be a reflection of the effects of lockdown, but also broader social and economic trends. The employment profile shows ongoing and positive transformation with the book publishing industry.

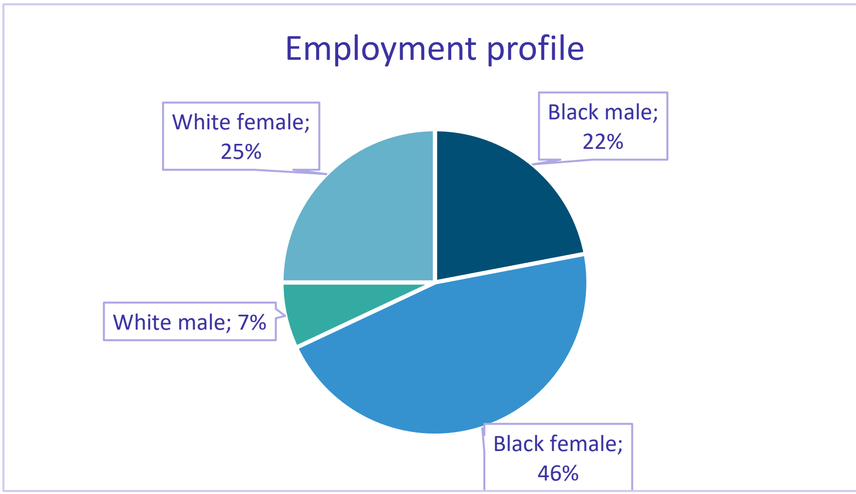


Table 4: Employment profile (as of 31 March 2021)

Job Category	Black Individual		White Individual	
	Male	Female	Male	Female
Chief executive officer	3	1	4	6
Functional heads of department	27	34	26	48
Editorial staff	11	74	15	82
Design and production staff	19	47	7	22
Marketing, promotion and sales staff	55	136	17	86
Finance staff	18	61	5	20
Human resources	3	16	0	0
Office administration	11	83	0	7
Information technology staff	21	17	6	1
Warehousing and distribution	75	54	1	3
Other support staff	22	44	2	8
Part Time including Freelancers	58	114	22	94

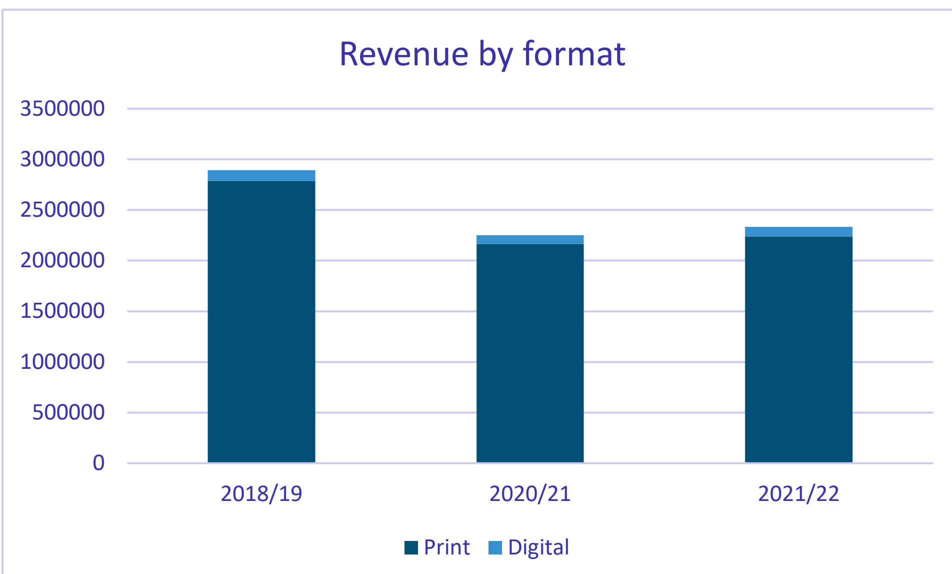
Production

Production capacity for the entire sector is down. The Department of Research and Information (DRIS) reports a drop the production capacity of printing, publishing and recorded media but growth in the physical volume of production. The Production Profile in this survey is focused on revenue, mostly from the sales of books, rather than the number of titles published.

Revenue from local titles, by format and language

The table that follows provides a summary of the revenue obtained from both print and digital formats, sub-divided according to the local languages. The figures show that there has been growth in digital book revenue, but it remains a small proportion of the total compared to print – around 4% of the total. There is some evidence to suggest that lockdown measures drove uptake in ebook revenues, and forecasts suggest growth of up to 3.8% by 2025 (Global) (PWC, 2021).

South African publishing remains dominated by English and Afrikaans, although there has been an increase in revenue from books in the other official languages over time.



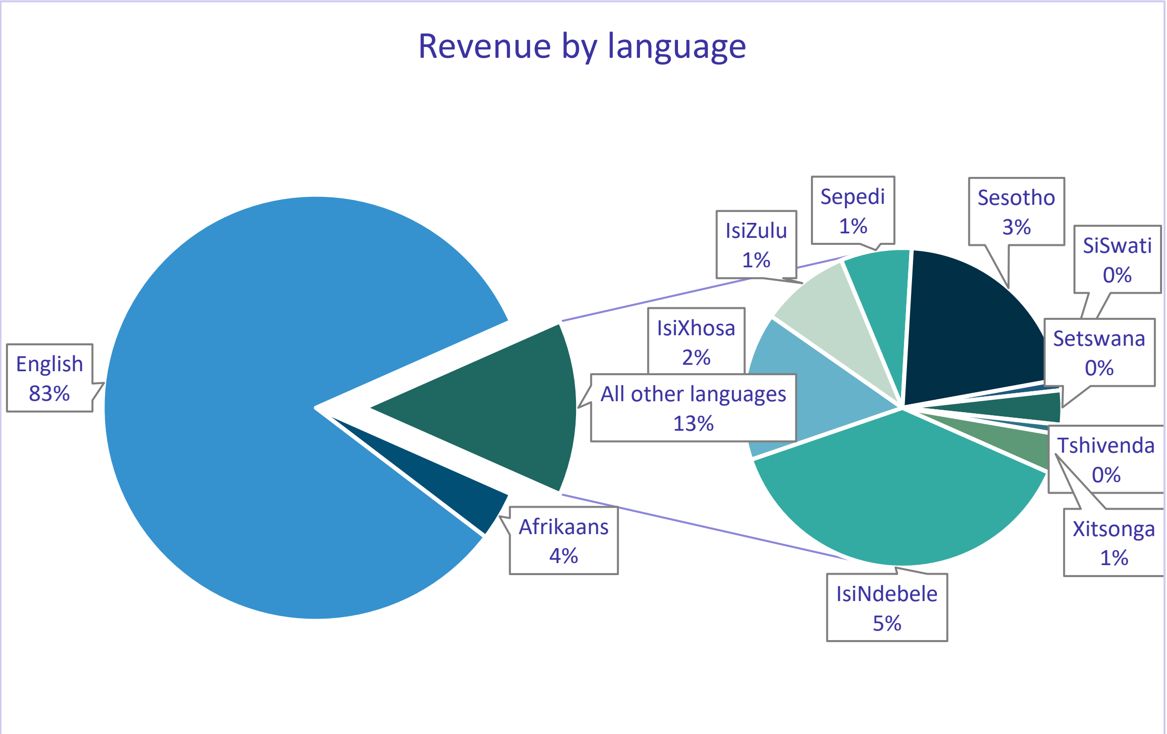


Table 5: Revenue from local titles, by format and language (R '000)

Language	2018/19		2019/20		20/2021	
	Print	Digital	Print	Digital	Print	Digital
Afrikaans	298 229	11 689	200 639	71 890	215 080	78 830
English	2 182 779	92 747	1 763 310	9 855	1 741 892	12 873
IsiNdebele	1 655	19	89 811	604	106 079	832
IsiXhosa	42 407	857	29 663	1 436	40 965	1 020
IsiZulu	121 675	1 093	11 775	274	25 026	347
Sepedi	32 485	695	6 827	416	19 645	491
Sesotho	20 864	710	36 362	344	59 128	411
SiSwati	6 077	83	2 894	4	3 037	9
Setswana	50 956	624	7 109	82	9 594	142
Tshivenda	9 192	116	866	15	2 770	14
Xitsonga	11 091	274	10 769	1	10 989	59
Multilingual	6 363	121	3 311	2 050	1 939	93
Other	577	13	637	13	1 306	181
Total	**2 784 351**	**109 041**	**2 163 972**	**86 984**	**2 237 450**	**95 301**

Note: Some of the totals are less than the overall income reflected in Table 1, for a few reasons: not all publishers fill in every table; some publishers provide different total amounts of revenue in different places; some tables include additional revenue such as rights sales, non-book products and hybrid products.

Publishing revenue streams

Table 6: Book-related revenue streams

Book related economic activity engaged in on a commercial basis	Active in market
Local print book publishing	20
Local eBook publishing of electronic format content downloaded onto user owned reading devices and apps	18
Local distribution of locally published print books published by third parties (not related to self or holding company)	5
Local distribution of imported print books published by third parties (not related to self or holding company)	7
Local e-book distribution (i.e. electronic format content downloaded onto user-owned reading devices and apps)	7
Online subscriber access services to professional and educational content databases	7
Local production of book-related material, title or character extensions (loose-leaf ring books, posters, maps, activity sheets etc.)	6
Local production of digital book-related brand or character extensions (CDs, DVDs, audio-books, etc.)	10

Note: Publishers could select more than one option.

Table 7: Non-book-related revenue streams

Non-book related economic activity engaged in on a commercial basis	Active in market
Local production of non-paper-based book related product / brand / character extensions (soft toys, gift items etc.)	1
Academic journal publishing	2
Trade magazine publishing	0
Research or trade report publishing	0
Professional training services provided to external parties	4
Professional consulting services	4
Publishing services to third parties: Editorial and/or production	4
Publishing services to third parties: Marketing and sales	4
Publishing services to third parties: Warehousing and distribution	1

Table 8: Average royalties

Royalties are calculated as an average, because they vary so widely among publishers, even within the same sector.

Product Category	Minimum Percentage	Maximum Percentage	Average Royalty
Trade	3%	13%	8%
Education	4%	19%	12%
Academic	3%	23%	13%
TVET	13%	11%	12%
ABET	0%	16%	8%

Distribution Channels

The fluctuations in the use of certain distribution channels can be ascribed to the impact of lockdowns, but also the growing use of alternative sales and distribution methods. Globally, revenue data by sales channel show an increase in the share of online sales (of both print and digital book products). According to WIPO,: "While these share increases reflect a longer-term trend, the pandemic's containment measures likely accelerated this trend and may have changed consumer purchasing habits in a permanent way."

Table 9: Revenue and discount per sales channel (R '000 and %)

Type of outlet	2018/19	2019/20	2020/21	Mean discount
	Aggregated Revenue			
National or regional bookseller chains	699 540	1 155 410	975 712	37%
Independent booksellers and other book retailers	189 504	214 987	290 224	32%
Non-book retail outlets	7 246	38 732	43 959	32%
Supermarkets and department stores	20 505	21 588	9 540	32%
Internet booksellers	9 427	74 990	130 584	30%
Book clubs and direct mail booksellers	43 884	27	18 107	2%
Businesses and corporations (direct sales)	3 008	26 533	3 147	24%
The public (direct sales)	80 704	44 654	47 630	24%
Libraries	7 672	10 745	9 050	30%
State and provincial departments	9 280	851 640	803 736	8%

Schools and educational institutions	294 945	133 986	105 399	26%
School book distributors and tenders	198 501	132 049	398 989	27%
Export sales	181 152	19 632	18 692	25%
Other	131 548	68 757	45 136	33%
Total	1 876 916	2 793 696	2 899 906	

Table 10: Import and export revenue (R ’000)

Channel	2018/19		2019/20		2020/21		Change, 2018-2021	
	Local	Imported	Local	Imported	Local	Imported	Local	Import
Sales of print books	3 089 849	195 046	2 375 953	369 700	2 635 221	164 273	-15%	-16%
Sales of digital book products	64 256	48 935	53 456	35 311	62 189	36 359	-3%	-26%
Rights sales	12 294	348	6 571	497	6 072	366	-51%	+5%
Distribution of locally published books	109 281	0	906	134	649	0	-99%	
Other book-related income	813	0	211	0	281	230	-65%	
Total	**3 276 493**	**244 329**	**2 437 097**	**405 642**	**2 705 341**	**201 228**	**-17%**	**-1%**

Sector Reports

Education

The Education sector produces school textbooks for the Department of Basic Education (DBE) as well as private schools. The sector is the largest in South Africa, accounting for 66% of total revenue. In 2020/21, the sector recorded revenue of more than R1.78 billion, with the vast majority of this income coming from sales of local products.

The sector is dominated by a few large and medium publishers and a large number of very small publishers focusing on niche subjects and often using partners for distribution. This sector is highly dependent on the state's education budgets and procurement processes. A lack of curriculum revision and catalogue renewal by the DBE has had a clear impact on revenues and production, with declines in locally produced books.

The Figure below (based on Table 11, which follows), shows the stark reality that digital book products remain a very small proportion of orders and revenue from the Department of Basic Education (DBE). This is in spite of government initiatives to introduce digital learning and teaching materials, and the publishers's development of digital content resources. The capacity exists to roll out further digital resources, but access, infrastructure, and both teacher and learner preparedness, remain stumbling blocks. Printed materials thus remain a crucial resource. In terms of accessibility for print-disabled readers, publishers indicated that more than 50% of their materials are made available in formats such as audio books, Braille or Braille-ready files, DAISY and LaTex compatible electronic publications, or large print formats.

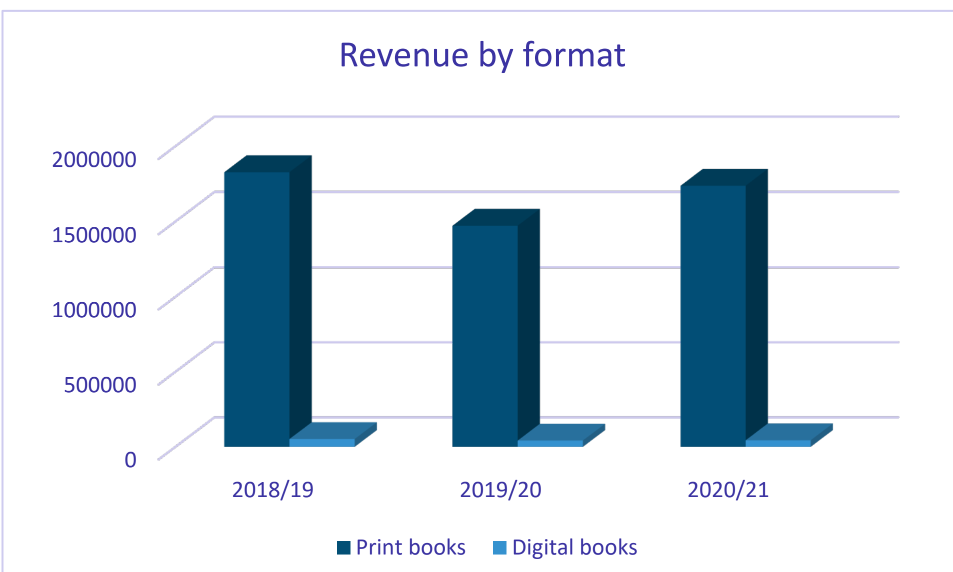


Table 11: Revenue from book-related activities (R '000)

	2018/19		2019/20		2020/21		Change, 2018 to 2021 %	
Activity	Local books	Imported books	Local books	Imported books	Local books	Imported books	Local books	Imported books
Sales of print books	1 791 166	36 137	1 439 309	32 689	1 703 239	34 396	-5%	-5%
Sales of digital book products	50 904	1 159	39 605	2 310	40 473	3 375	-20%	191%
Rights sales	834		254		370		-56%	
Distribution of locally published books	51 744						-100%	
Hybrid/Blended Products	0					230		100%
Total turnover	**1 931 943**	**37 295**	**1 479 168**	**34 999**	**1 744 082**	**38 001**	**-10%**	**2%**

Table 12: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Average
School print books	4%	21%	13%
School digital books	5%	17%	11%

Production

The following tables provide a summary of revenue from both print and digital formats, sub-divided according to the local languages. These are both significant factors in the Education sector.

As can be seen from the tables, English dominates the production of textbooks, especially after the Foundation Phase. However, local languages make up an important part of Education publishers' lists.

Table 13: School textbook production by language and format (number of titles)

Language	2019/20		2020/21	
	Print	Digital	Print	Digital
Afrikaans	13 414	964	19 224	3 138
English	19 748	1 762	29 265	11 096
IsiNdebele	43	1	27	2
IsiXhosa	532	89	521	236
IsiZulu	384	33	412	252
Sepedi	360	37	243	104

Sesotho	61	34	102	106
Setswana	128	27	218	57
SiSwati	111	-	81	4
Tshivenda	41	9	28	5
Xitsonga	50	23	46	19
Multilingual	5	-	7	-
Other Languages	2	1	2	1
Total	**34 879**	**2 980**	**50 176**	**15 020**

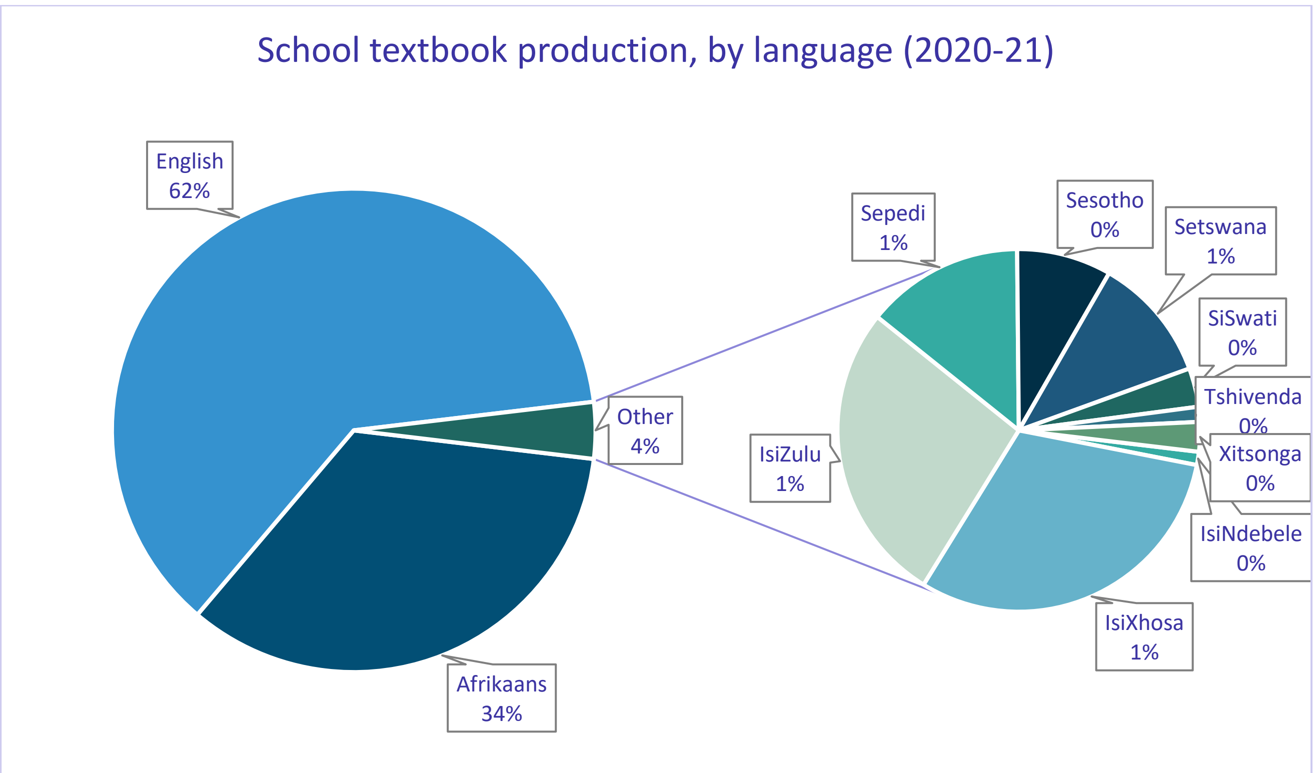


Table 14: Revenue from locally produced school textbooks (R'000)

Language	2018/19		2019/20		2020/21		Change 2018 to 2021	
	Print	Digital	Print	Digital	Print	Digital	Print	Digital
Afrikaans	145 412	5 826	115 293	5 904	129 103	6 295	-11%	0%
English	1 325 805	38 352	1 104 959	31 724	1 307 595	33 739	-1%	0%
IsiNdebele	1 654	19	2 882	4	3 037	9	84%	-1%
IsiXhosa	42 287	856	29 468	1 436	40 952	1 020	-3%	0%
IsiZulu	120 388	1 092	89 653	603	105 868	831	-12%	0%
Sepedi	32 472	695	11 739	274	25 014	347	-23%	-1%
Sesotho	20 663	710	6 743	416	19 633	491	-5%	-1%
Setswana	50 933	624	36 288	344	59 124	411	16%	0%
SiSwati	6 069	83	10 762	1	10 989	58	81%	0%
Tshivenda	9 185	116	857	15	2 770	14	-70%	11%
Xitsonga	11 089	274	7 105	82	9 594	142	-13%	-1%
Multilingual	3 689	0	1 828	91	1 169	68	-68%	2%
Other Languages	226	0	436	0	1 272	181	463%	80%
Total	**1 769 872**	**48 647**	**1 418 011**	**40 895**	**1 716 119**	**43 605**	**-3%**	**0%**

Distribution channels

While Education publishers are dependent on state and provincial government departments for the vast majority of orders, they also distribute their products through a variety of other sales channels.

Discounts can vary a great deal according to different kinds of suppliers. For the State and Provincial Departments, publishers provide individual prices in response to government tenders. Because publishers are required to provide their absolute lowest prices, no discounts are applicable to those prices.

Table 15: Turnover and average discount per sales channel (R '000)

Type of sales outlet	2018/19	2019/20	2020/21	Average discount %
National or regional bookseller chains	295 714	308 044	259 548	33%
Independent booksellers and other book retailers	199 214	122 828	208 623	31%
Non-book retail outlets	26 730	26 381	22 960	27%
Internet booksellers	7 813	5 099	11 479	24%
Businesses and corporations (direct sales)	22 788	19 397	22†	4%
Book clubs and direct mail booksellers*			16 618	19%
The public (direct sales)	52 401	32 341	43 194	20%
Libraries	1 115	527	435	27%
State and provincial departments	1 015 144	851 589	803 735	17%
Schools and educational institutions	25 504	11 735	11 982	22%
School book distributors and tenders	194 200	129 001	394 766	26%
Export sales	1 187	267	1 261	20%
Other	210	8 566	7 333	28%
Total	**1 842 020**	**1 515 775**	**1 781 955**	

† *Note: This is an under-reporting on the part of the respondents.*

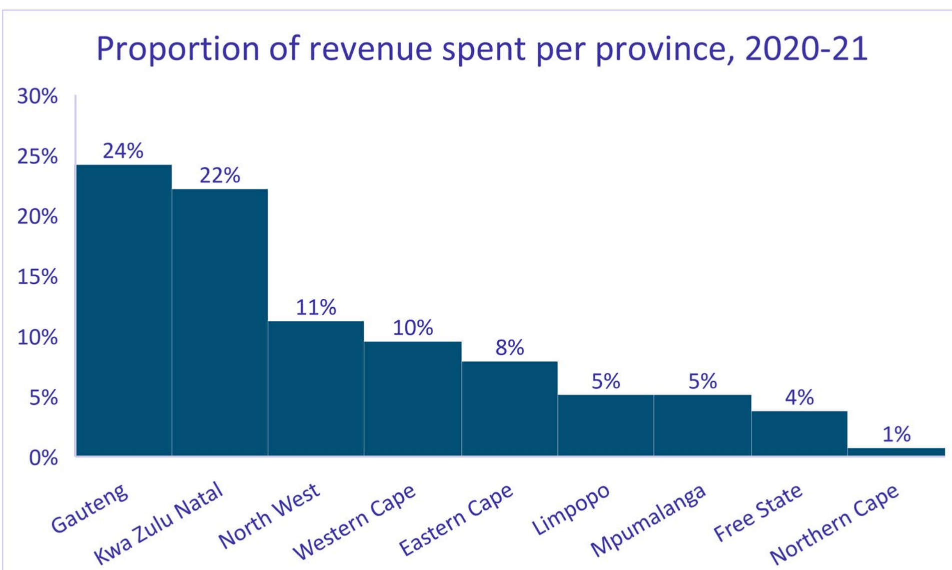
* *Note: this channel emerged as a new category in 2021/21.*

Revenue

The figures recorded in this survey exceed those reported in a separate, internal survey of educational publishers. However, there are discrepancies for some of the provinces – specifically, the figures for the Eastern Cape and Mpumalanga do not include all of the smaller publishers who are particularly active in these provinces

Table 16: Total revenue by province (R ’000)

Province	2018/19		2019/20		2020/21	
	Locally Published	Imported	Locally Published	Imported	Locally Published	Imported
Eastern Cape	143 425	659	115 758	329	138 850	1 922
Free State	86 160	1 207	50 038	43	66 829	415
Gauteng	516 835	11 997	333 360	7 538	405 127	26 173
Kwa Zulu Natal	378 010	1 441	360 120	974	388 688	6 159
Limpopo	248 239	128	163 769	19	273 547	506
Mpumalanga	78 932	200	123 274	59	90 807	271
Northern Cape	22 266	29	27 368	99	12 395	118
North West	168 315	1 373	156 579	298	197 717	2 369
Western Cape	198 874	7 440	171 278	3 134	159 979	10 082
Total	**1 841 056**	**24 474**	**1 501 544**	**12 493**	**1 733 939**	**48 015**



Revenue by province, according to product sub-category (R ’000)

Table 17: Eastern Cape

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	2	89	7	46
Grade 1-3 core	10 058	36	12 870	43
Grade 4-6 core	34 519	1	42 531	
Grade 7-9 core	38 849	1	43 822	
Grade 10 core	7 443	0	7 509	
Grade 11 core	6 203	0	7 991	
Grade 12 core	6 945	0	10 138	
Grade 10 Prescribed literature	1 042		624	
Grade 11 Prescribed literature	1 121		1 250	
Grade 12 Prescribed literature	652		1 556	
FP Reading schemes	5 316	6	4 595	1 340
IP Reading schemes	661	26	680	207
SP Readers (non-core)	653	39	442	13
Dictionaries (Primary)	303		346	37
Dictionaries (Secondary)	62	28	265	11
Atlases (Primary)	143		137	
Atlases (Secondary)	151		104	
Posters	57		38	
Supplementary and Library	518	0	763	126
Other	1 058	103	3 181	99
Total	**115 758**	**329**	**138 850**	**1 922**

Revenue by province, according to product sub-category (R ’000)

Table 18: Free State

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	124	0	114	30
Grade 1-3 core	5 400	19	7 094	
Grade 4-6 core	15 360		21 354	
Grade 7-9 core	18 184		21 839	
Grade 10 core	3 697		6 720	
Grade 11 core	2 244		3 297	
Grade 12 core	2 172		3 304	
Grade 10 Prescribed literature	142		74	
Grade 11 Prescribed literature	78	-	125	-
Grade 12 Prescribed literature	51		97	
FP Reading schemes	423		1 732	231
IP Reading schemes	359		232	6
SP Readers (non-core)	276		119	
Dictionaries (Primary)	123		87	22
Dictionaries (Secondary)	23		41	
Atlases (Primary)	66		101	
Atlases (Secondary)	60		54	
Posters	55		34	
Supplementary and Library	871		250	88
Other	328	23	159	38
Total	**50 038**	**43**	**66 829**	**415**

Revenue by province, according to product sub-category (R '000)

Table 19: Gauteng

Book Category	2019/20 (R '000)		2020/21 (R '000)	
	Local	Imported	Local	Imported
Grade R	1 170	26	905	74
Grade 1-3 core	18 665	26	19 667	55
Grade 4-6 core	82 668	977	93 589	0
Grade 7-9 core	110 333	2 051	130 811	55
Grade 10 core	26 724	300	29 397	28
Grade 11 core	25 106	217	25 768	25
Grade 12 core	22 224	170	24 737	
Grade 10 Prescribed literature	2 165	119	2 808	
Grade 11 Prescribed literature	1 866	39	3 412	
Grade 12 Prescribed literature	1 677	70	3 090	
FP Reading schemes	21 694	2	10 254	5 970
IP Reading schemes	3 509	605	3 892	2 072
SP Readers (non-core)	2 336	328	1 457	222
Dictionaries (Primary)	11 324	21	11 565	2 604
Dictionaries (Secondary)	2 949	284	6 361	148
Atlases (Primary)	2 758	2	2 254	11
Atlases (Secondary)	1 597	7	1 346	6
Posters	154		199	0
Supplementary and Library	14 562	527	18 643	4 009
Other	23 267	1 771	14 972	10 893
Total	**333 360**	**7 538**	**405 127**	**26 173**

Revenue by province, according to product sub-category (R ’000)

Table 20: KwaZulu-Natal

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	8 683	150	8 900	185
Grade 1-3 core	38 973	257	41 413	105
Grade 4-6 core	80 075		95 540	
Grade 7-9 core	86 952	1	110 031	
Grade 10 core	28 230		29 295	43
Grade 11 core	30 129		32 690	
Grade 12 core	35 728		53 575	
Grade 10 Prescribed literature	2 052		2 744	
Grade 11 Prescribed literature	2 758		3 649	
Grade 12 Prescribed literature	1 018		1 281	
FP Reading schemes	21 349	4	7 562	4 021
IP Reading schemes	5 978	40	853	290
SP Readers (non-core)	4 715	95	1 979	25
Dictionaries (Primary)	2 155		1 801	331
Dictionaries (Secondary)	3 166	113	2 334	51
Atlases (Primary)	855		659	
Atlases (Secondary)	861		524	
Posters	148		134	
Supplementary and Library	3 410	1	3 730	328
Other	2 883	313	5 119	780
Total	**360 120**	**974**	**388 688**	**6 159**

Revenue by province, according to product sub-category (R ’000)

Table 21: Limpopo

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	26		68	
Grade 1-3 core	3 293		4 144	
Grade 4-6 core	15 355		39 510	
Grade 7-9 core	58 952		86 747	
Grade 10 core	17 209		33 118	
Grade 11 core	23 160		52 903	
Grade 12 core	40 041		47 107	
Grade 10 Prescribed literature	364		1 396	
Grade 11 Prescribed literature	791		2 472	
Grade 12 Prescribed literature	509		862	
FP Reading schemes	1 021		1 782	363
IP Reading schemes	236	1	281	9
SP Readers (non-core)	98	1	348	1
Dictionaries (Primary)	405		286	55
Dictionaries (Secondary)	140	7	198	5
Atlases (Primary)	106		84	
Atlases (Secondary)	105		58	
Posters	13		9	
Supplementary and Library	1 380		271	10
Other	565	10	1 904	63
Total	**163 769**	**19**	**273 547**	**506**

Revenue by province, according to product sub-category (R ’000)

Table 22: Mpumalanga

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	2 723		714	
Grade 1-3 core	1 226		13 396	
Grade 4-6 core	44 274		22 961	
Grade 7-9 core	42 238	1	25 966	
Grade 10 core	7 459		7 861	
Grade 11 core	5 716		6 544	
Grade 12 core	5 325		8 152	
Grade 10 Prescribed literature	2 421		60	
Grade 11 Prescribed literature	439		27	
Grade 12 Prescribed literature	504		29	
FP Reading schemes	2 886		627	77
IP Reading schemes	2 870	5	36	4
SP Readers (non-core)	3 349		8	
Dictionaries (Primary)	297		268	48
Dictionaries (Secondary)	88	19	167	4
Atlases (Primary)	207		163	
Atlases (Secondary)	218		102	
Posters	53		188	
Supplementary and Library	596		1 833	54
Other	385	34	1 705	83
Total	**123 274**	**59**	**90 807**	**271**

Revenue by province, according to product sub-category (R ’000)

Table 23: Northern Cape

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	40	21	22	
Grade 1-3 core	1 293	10	593	
Grade 4-6 core	9 475		3 967	
Grade 7-9 core	8 108		3 426	
Grade 10 core	2 184		513	
Grade 11 core	1 494		433	
Grade 12 core	1 675		547	
Grade 10 Prescribed literature	403		335	
Grade 11 Prescribed literature	368		463	
Grade 12 Prescribed literature	339		502	
FP Reading schemes	1 019		664	68
IP Reading schemes	235		40	9
SP Readers (non-core)	156		155	
Dictionaries (Primary)	101		162	23
Dictionaries (Secondary)	87	33	101	5
Atlases (Primary)	40		46	
Atlases (Secondary)	20		17	
Posters	11		20	
Supplementary and Library	113		330	7
Other	209	35	58	6
Total	**27 368**	**99**	**12 395**	**118**

Revenue by province, according to product sub-category (R ’000)

Table 24: North West

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	7 956	72	6 733	147
Grade 1-3 core	11 895	70	17 671	113
Grade 4-6 core	45 580	1	55 862	
Grade 7-9 core	51 239	1	63 521	
Grade 10 core	10 745		12 146	13
Grade 11 core	10 704		11 730	
Grade 12 core	8 240		11 439	
Grade 10 Prescribed literature	1 075		984	
Grade 11 Prescribed literature	1 009		1 387	
Grade 12 Prescribed literature	472		1 058	
FP Reading schemes	2 594		5 084	987
IP Reading schemes	1 288	1	820	670
SP Readers (non-core)	997		850	
Dictionaries (Primary)	318	4	242	102
Dictionaries (Secondary)	49	20	178	39
Atlases (Primary)	218		254	
Atlases (Secondary)	94		177	
Posters	209		205	
Supplementary and Library	953		2 598	189
Other	942	128	4 778	108
Total	**156 579**	**298**	**197 717**	**2 369**

Revenue by province, according to product sub-category (R ’000)

Table 25: Western Cape

Book Category	2019/20 (R ’000)		2020/21 (R ’000)	
	Local	Imported	Local	Imported
Grade R	236	40	251	6
Grade 1-3 core	6 619	29	5 793	11
Grade 4-6 core	38 075	88	35 675	
Grade 7-9 core	41 205	487	45 444	35
Grade 10 core	9 671	302	9 698	10
Grade 11 core	9 242	225	9 805	18
Grade 12 core	8 611	145	11 017	
Grade 10 Prescribed literature	919	12	699	
Grade 11 Prescribed literature	991	13	841	
Grade 12 Prescribed literature	1 255	13	1 593	
FP Reading schemes	15 301	55	3 579	1 368
IP Reading schemes	2 951	27	619	195
SP Readers (non-core)	1 069	245	935	175
Dictionaries (Primary)	4 156	3	1 411	547
Dictionaries (Secondary)	1 213	133	1 421	155
Atlases (Primary)	1 260		606	
Atlases (Secondary)	903		452	1
Posters	189		38	
Supplementary and Library	7 202	749	26 895	2 008
Other	20 210	568	3 205	5 552
Total	**171 278**	**3 134**	**159 979**	**10 082**

Sector Reports

Trade

Trade publishers produce books for the general reader. The sector is characterised by large international and local imprints, as well as several small to medium specialised niche publishers. It is dominated by multi-national publishers that use a variety of distributors to import their books for the South African market. Only a small proportion of these imports are captured in this survey, as the focus is on the production of local books.

Most trade books – books aimed at the general reader – are available through bookstores or online booksellers. Before lockdown was first announced in 2020, physical bookstores had already seen a decline in sales. During the first two weeks of March, Bargain Books reported a double-digit decline in sales as shoppers stayed away from malls. However, it is reported that sales rose once books could be sold as 'essential' goods.

Production in this sector, as measured by sales revenue, has shown a decline in most sectors in 2019/20 and again in 2020/21. Figures from online retailers showed a rise in sales, especially in the adult non-fiction segment – with South African consumers turning to "cooking, cash and crime" during the lockdown period.

Production

Table 26: Revenue from book-related activities (R '000)

Activity	2018/19		2019/20		2020/21		Change, 2018 to 2021
	Local	Imported	Local	Imported	Local	Imported	
Sales of print books	730 872	99 311	739 544	111 088	647 647	95 112	-11%
Sales of digital book products	6 339	7 664	7 996	4 520	8 055	5 128	27%
Rights sales	2 100	228	2 088	398	1 310	259	-38%
Total turnover	**739 311**	**107 203**	**749 628**	**116 006**	**657 012**	**100 498**	**-11%**

Table 27: Other revenue

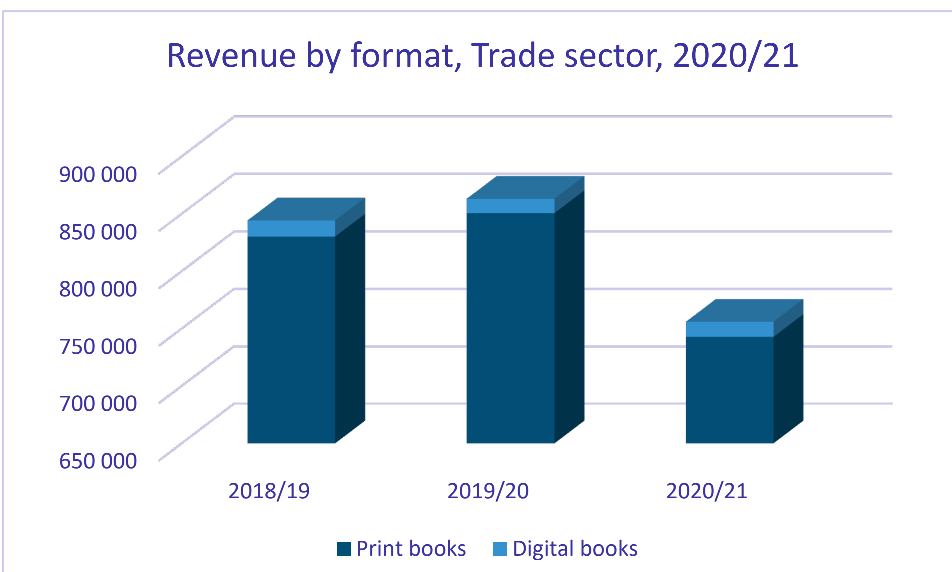
Activity	2018/19	2019/20	2020/21	Change, 2018 to 2021
Distribution of locally published books	674	1 040	649	-4%
Other book-related income	116	211	281	142%
Total other turnover	**789**	**1 252**	**930**	**18%**

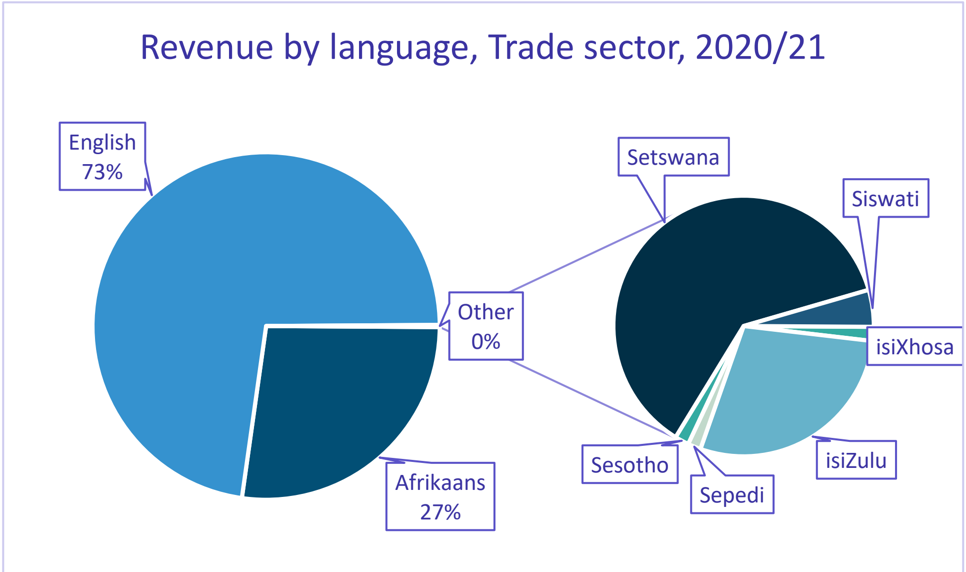
Table 28: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
General trade print books	3%	21%	12%
General trade digital books	7%	23%	15%

Revenue by format and language

Print remains the format of preference, although most forecasts have predicted a sharp rise in the use of digital formats over time. In terms of language, Afrikaans and English dominate. Small runs of books in other languages are produced from time to time, often with the same title being translated into several local languages rather than new title development taking place.





The sector is further divided by genre – non-fiction and fiction, and aimed at an adult or children's market. Non-fiction also includes religious books, such as Bibles.

Table 29: Revenue by genre and format (R '000)

Genre	2018/19		2019/20		2021/21		Change, 2018-21	
	Locally published	Imported	Locally published	Imported	Locally published	Imported	Local	Imported
Adult non-fiction print	20 758	12 352	340 901	33 566	272 981	26 286	1215%	113%
Adult non-fiction digital	335	160	5 531	1 903	3 674	1 762	997%	1001%
Adult fiction print	354 502	42 195	235 219	32 288	197 272	28 541	-44%	-32%
Adult fiction digital	5 190	6 759	1 997	2 161	3 163	3 060	-39%	-55%
Children's non-fiction print			24 082	14 172	21 581	12 078		
Children's non-fiction digital			148	34	91	4		
Children's fiction print	179 825	29 847	134 985	31 416	152 924	28 210	-15%	-5%
Children's fiction digital	500	468	391	295	1 126	399	125%	-15%
Total	**561 110**	**91 781**	**748 308**	**115 985**	**656 854**	**100 498**	**17%**	**9%**

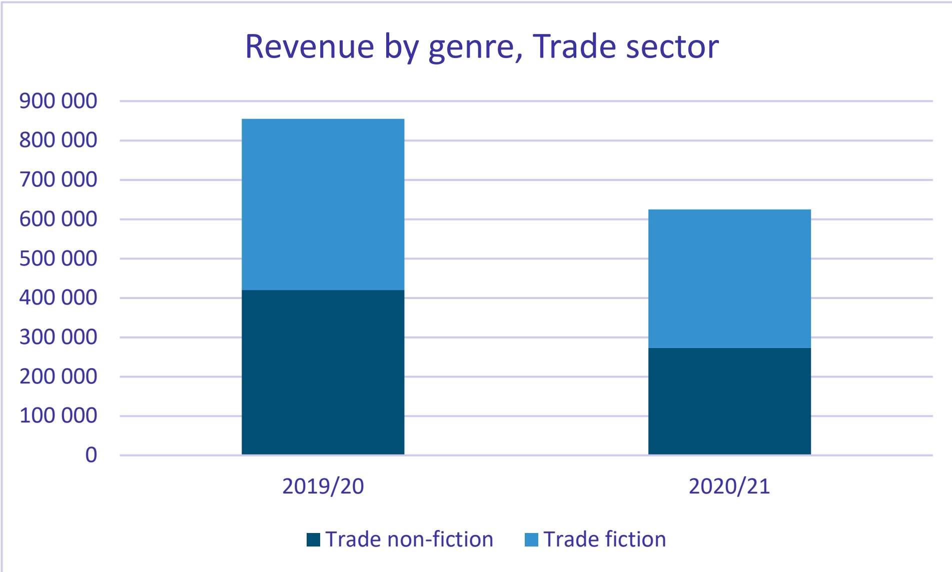


Table 30: Revenue from adult fiction books, by format and language (R '000)

Language	2018/19		2019/20		2020/21		Change, 2018-21	
	Print	Digital	Print	Digital	Print	Digital	Print	Digital
Afrikaans	41 703	4 512	22 672	3 309	35 150	4 960	-16%	10%
English	78 435	2 703	83 418	2 433	65 471	1 666	-17%	-38%
IsiXhosa	7		5		3		-57%	
IsiZulu	269		20		8		-97%	
Sesotho	4						-100%	
Setswana			10		2		200%	
SiSwati	7						-100%	
Multilingual	620	23	334	23	315	25	-49%	9%
Total	121 045	7 238	106 459	5 766	100 949	6 651	-17%	-8%

Table 31: Revenue from adult non-fiction books, by format and language (R ’000)

Language	2018/19		**2019/20**		**2021/21**		**Change, 2018-21**	
	Print	Digital	**Print**	**Digital**	**Print**	**Digital**	**Print**	**Digital**
Afrikaans	29 836	1 034	18 637	507	16 564	587	-44%	-43%
English	162 410	4 353	193 467	4 037	151 201	4 489	-7%	3%
IsiXhosa	35		13		- 1		-103%	
IsiZulu	200				103		-49%	
SiSwati						1		100%
Multilingual	1 865	98	494	1 935	455		-76%	-100%
Other Languages	211	13	189	13	34		-84%	-100%
Total	**189 889**	**5 385**	**212 800**	**6 492**	**168 356**	**5 078**	**-11%**	**-6%**

Table 32: Revenue from children’s fiction books, by format and language (R ’000)

Language	2018/19		**2019/20**		**2021/21**		**Change, 2018-21**	
	Print	Digital	**Print**	**Digital**	**Print**	**Digital**	**Print**	**Digital**
Afrikaans	21 281	238	11 609	105	27 354	915	29%	284%
English	59 362	99	55 350	28	47 906	36	-19%	-64%
IsiNdebele	1		12				-100%	
IsiXhosa	55		124		5		-91%	
IsiZulu	192		83		97		-49%	
Sepedi	13		34		3		-77%	
Sesotho	59		84		4		-93%	
Setswana	24		53		2		-92%	
SiSwati	1		8				-100%	
Tshivenda	7		10				-100%	
Xitsonga	2		4				-100%	
Multilingual	90						-100%	
Other Languages					12		100%	
Total	**81 085**	**338**	**67 383**	**134**	**75 370**	**952**	**-7%**	**182%**

Table 33: Revenue from children's non-fiction books, by format and language (R '000)

Language	2018/19		2019/20		2021/21		Change, 2018-21	
	Print	Digital	Print	Digital	Print	Digital	Print	Digital
English	16 194	5	19 150	23	17 239	26	6%	
Afrikaans	5 839		4 960	19	4 437	69	-24%	1%
IsiXhosa	23		53		6		-74%	
IsiZulu	125		55		4		-97%	
Sepedi			2		9		900%	
Sesotho	4				8		100%	
Setswana			10					
Multilingual			654					
Total	**20 884**	**5**	**24 884**	**42**	**21 704**	**95**	**4%**	**0%**

Distribution channels

At the beginning of lockdown, books were not considered 'essential' goods. As the country moved to Level 4, only educational books could be sold. PEN South Africa submitted a petition requesting that "all books be available for purchase online or over the phone and for delivery, and that all booksellers, big and small, be allowed to trade". Most bookstores reopened, with reduced staff, after that. Many sellers launched – or relaunched – internet sales at this time. Exclusive Books CEO Grattan Kirk reported that "online business was massively up", in part thanks to a partnership with Uber Eats to improve delivery options. Smaller and independent stores adjusted their websites for e-commerce and acquired social media shopping carts to facilitate orders.

Table 34: Turnover and average discount per sales channel (R '000)

Type of sales outlet	2018/2019		2019/2020		2020/2021		Mean discount %
	Locally produced	Imported	Locally produced	Imported	Locally produced	Imported	
National or regional bookseller chains	289 633	294 643	309 319	352 400	256 226	280 858	41%
Independent booksellers and other book retailers	41 394	40 607	30 479	14 112	28 606	10 617	33%
Non-book retail outlets	26 973	7 097	8 800	3 312	7 200	13 602	32%

Supermarkets and department stores	7 226	2 792	13 512	8 076	6 964	2 576	37%
Internet booksellers	21 693	23 360	31 502	27 352	48 167	47 369	37%
Book clubs and direct mail booksellers	255	107	3	24	1 489		
Businesses and corporations (direct sales)	3 979	948	2 513	3 609	926	1 688	29%
The public (direct sales)	17 738	2 492	6 119		3 368		27%
Libraries	4 738	7 441	1 735	8 483	2 887	5 026	33%
State and provincial departments	3 192	29	14	2	1		
Schools and educational institutions	5 633	248	4 736	3 961	5 729	2 427	29%
School book distributors and tenders	14 592	5 247	140	2 908	89	2 539	29%
Export sales	10 534	8 529	11 110	6 806	9 663	7 111	30%
Other	1 341	982	6 039	4 244	7 959	3 246	38%
Total	**448 922**	**394 522**	**426 022**	**435 290**	**379 273**	**377 058**	

Sector Reports

Academic

Academic sector publishes textbooks and other products for university students, as well as professional products and books for continuing professional development, used by doctors, lawyers and accountants, for instance. This sector is currently facing several issues, including the abolishment of ringfenced book funding in NSFAS, rampant book piracy, the effect of COVID and hybrid learning, and student enrolment.

In 2019/20, over one-third of students enrolled at universities were National Student Financial Aid Scheme (NSFAS) beneficiaries. At the beginning of 2019, NSFAS announced that it would pay allowances directly to students in cash, instead of ring-fencing the money with third parties for accommodation, food, transport and textbooks. NSFAS stated that the rationale is for students to "grow to be responsible citizens and take charge of their economic needs and responsibilities", describing the previous voucher system as "very limiting in this regard". The South African Booksellers Association voiced their concerns citing case studies from Bostwana and eSwatini where ring-fencing had been abolished in 2017. In these cases, the result was "an 80% decline in textbooks sold in Botswana and a 94% decline in textbooks sold at Universities that adopted this policy in eSwatini." Similar declines are being seen in both bookselling and publishing in South Africa.

A number of publishers in this sector were unable to provide data for both 2019/20 and 2020/21. There are insufficient data available to report on Professional and Scholarly, especially for 2020/21.

Revenue

Table 35: Revenue from book-related activities (R '000)

Category	2018/19				2019/20				2020/21			
	Local		Imported		Local		Imported		Local		Imported	
	Print	Digital	Print	Digital	Print	Digital	Print	Digital	Print	Digital	Print	Digital
Academic sector	301 210	6 494	59 718	40 113	196 999	6 742	38 839	26 707	134 797	11 057	34 766	27 856
Totals	307 704		99 831		203 741		65 546		145 854		62 622	

Note: Due to insufficient data, the figures for Professional and Scholarly books have not been included here.

Table 36: Revenue from book-related activities: Academic sector (R ’000)

Activity	2018/19		2019/20		2020/21		Change, 2018-21 %
	Local	Imported	Local	Imported	Local	Imported	
Sales of print books	278 090	58 688	157 692	40 039	136 531	34 766	-87%
Sales of digital book products	5 112	39 954	5 834	27 844	11 057	27 856	445%
Rights sales	6 617	119	4 229	99	4 392	108	-98%
Distribution of locally published books	56 839						-100%
Total turnover	**346 658**	**98 761**	**167 755**	**67 981**	**151 980**	**62 729**	**-82%**

Revenue by format and language

Print remains the format of preference, although all of the Academic publishers have invested in new technologies and new digital products. The proportion of digital materials grew rapidly in 2020/21.

The sector is heavily dominated by the production of English-language books, a trend that mirrors the increasing use of English as the language of academia and university education.

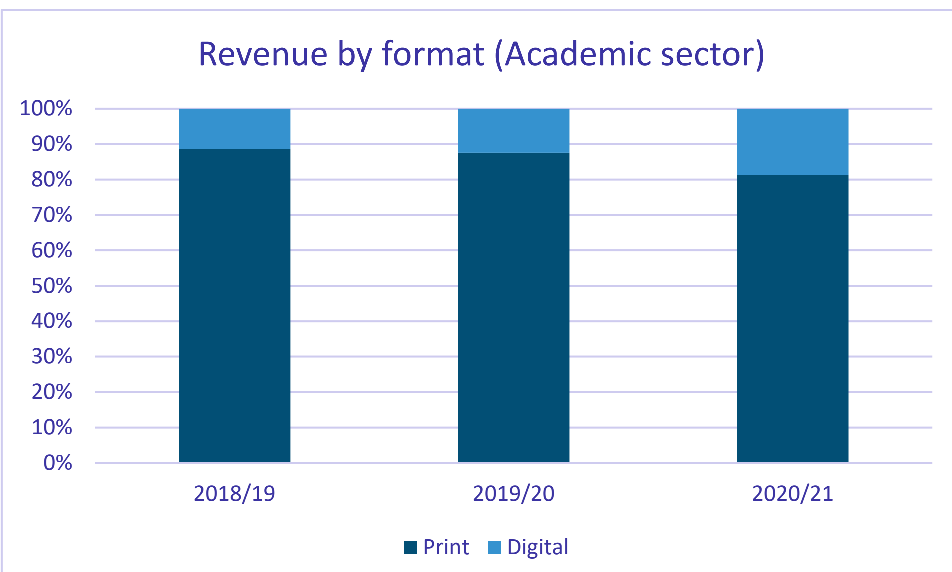


Table 37: Revenue by format and language (R ’000)

Language	2018/19		2019/20		2020/21		Change 2018 to 2021
	Print	Digital	Print	Digital	Print	Digital	
Afrikaans	2 658	5	170	11	939	37	-65%
English	301 637	45 053	149 445	33 262	149 193	38 858	-51%
IsiZulu	250*						
Sesotho	35						
Other Languages	189						
Total	**304 769**	**45 057**	**149 615**	**33 273**	**150 131**	**38 895**	**-51%**

** Note: The figures for 2019/20 and 2020/21 are incomplete, so an adequate comparison cannot be drawn.*

Table 38: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Weighted Average
Textbook print books	3%	21%	12%
Textbook digital books	3%	25%	14%

Distribution channels

Academic books are mostly sold through bookseller chains, many of which are located on or near university campuses. In contrast, professional and scholarly books are often sold directly to businesses and the public, in addition to other sales channels through traditional retail chains. There is a significant market to state and government departments as well as educational institutions.

Table 39: Turnover and average discount per sales channel (R ’000)

Type of sales outlet	2018/19	2019/20	2020/21	Mean Discount %
Primary Retail Outlets	325 796	125 387	147 598	32%
E-commerce (direct publisher sales)	1 739	4 537	499	28%
E-commerce (retailer sales)	27 512	10 928	20 091	32%
Other	31 075	49 847	26 467	42%
Total	**386 122**	**190 700**	**194 655**	

Sector Reports

TVET

The Technical and Vocational Education and Training (TVET) sector produces textbooks for students at the TVET colleges in South Africa, which offer technical or vocational training. Although this is a form of tertiary education, the procurement and distribution model is completely different from that of the Academic textbook sector, as the TVET system is more centralised. The two sectors are thus separated for reporting purposes.

The TVET sector produces books – overwhelmingly in print, and almost entirely in English – for two different levels: the National Certificate (Vocational), or NCV, and the National Accredited Technical Diploma (NATED). Public TVET colleges are not badly affected by piracy because there is little financial incentive – colleges receive a textbook budget and students are not expected to purchase any of their own learning materials. Private TVET colleges make up a very small percentage of total TVET sales – this sector reportedly experiences widespread photocopying.

This sector has been affected by specific courses being cancelled due to the lockdowns in 2020 and 2021, and enrolment figures were also affected. This led to a decline in revenue in 2021.

Revenue

Table 40: Revenue by format (R ’000)

Format	2018/19	2019/20	2020/21	Change 2018 to 2021
Sales of print books	262 654	184 684	143 976	-45%
Sales of digital book products	513	389	2 604	408%
Total	**263 168**	**185 073**	**146 581**	**-44%**

Table 41: Revenue by TVET level (R ’000)

Category	2018/19		2019/20		2020/21		Change 2018-2021 %
	NCV	NATED	NCV	NATED	NCV	NATED	
TVET books print	136 816	125 839	72 557	112 127	68 478	75 498	-87%
TVET books digital	354	159	280	101	166	2 438	591%
Total	137 170	125 998	72 837	112 229	68 645	77 936	-85%

Table 42: Production by format and language (number of new titles)

Language	New titles by language 2019/2020		New titles by language 2020/2021	
	Print	Digital	Print	Digital
English	665	1 001	749	15
Afrikaans	163	-	243	10
Total	**828**	**1 001**	**993**	**25**

Table 43: Revenue by format and language (R ’000)

TVET Textbooks Language	2018/19		2019/20		2020/21		Change 2018 to 2021 %
	Print	Digital	Print	Digital	Print	Digital	
English	211 329	439	157 452	382	101 872	1 667	-52%
Afrikaans	51 348	75	27 299		42 094	938	-18%
Total	**262 677**	**513**	**184 751**	**382**	**143 966**	**2 605**	**-45%**

Table 44: Average royalty paid on locally published books

Product Category	Minimum Percentage	Maximum Percentage	Average
TVET print books	7%	15%	11%
TVET digital books	10%	12%	11%

Distribution channels

Table 45: Sales channels and discounts (R ’000)

Type of sales outlet	2018/19	2019/20	2021/21	Mean Discount %
National/regional booksellers	41 717	25 448	19 801	23%
Independent booksellers	64 417	47 536	41 259	23%
Non-book retail outlets	47	239	198	15%
Internet booksellers	357	108	2 347	12%
The public (direct sales)	580	718	569	10%
Schools / education	156 050	111 016	82 397	20%
Total	**263 168**	**185 066**	**146 571**	

Sector Reports

SMME Publishers

This is the first year where we can report separately on the South African SMME publishing environment. Below the figures for 2019/2020 and 2020/2021 are discussed.

Table 46: Active sectors (SMMEs)

What sectors were you active in?									
General trade books		Education		ABET		TVET		Academic	
2019/20 (n=10)	2020/21 (n=6)	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
7	3	5	4	0	0	0	2	3	2

Table 47: Formats (SMMEs)

What formats do you distribute in?					
Print		Digital		Accessible	
2019/20 (n=10)	2020/21 (n=6)	2019/20	2020/21	2019/20	2020/21
9	5	6	5	2	2

Table 48: Distribution channels

How do you distribute your books?							
Distribution Agents		Online Only		Direct Sales to Readers		Direct Sales to Book Stores	
2019/20 (n=10)	2020/21 (n=6)	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
6	4	3	1	9	4	2	3

Table 49: Revenue by province (SMMEs)

What percentage of your income comes directly from the following provinces?		
Province	**% 2019/2020**	**% 2020/2021**
Eastern Cape	7%	10%
Free State	1%	3%
Gauteng	53%	21%
KwaZulu Natal	7%	17%
Limpopo	6%	6%
Mpumalanga	7%	7%
North West	0%	8%
Northern Cape	0%	1%
Western Cape	18%	26%